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6 **IN THE UNITED STATES DISTRICT COURT**
7 **FOR THE DISTRICT OF ARIZONA**
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9 Monnie Ramsell,

10 Appellant,

11 v.

12 Wells Fargo Bank NA, et al.,

13 Appellees.
14

No. CV-22-08124-PCT-SMB

ORDER

15 This matter comes before the Court on appeal from a Bankruptcy Court Order. After
16 reading and considering Appellant's Opening Brief (Doc. 12), the Response Brief (Doc.
17 13), and the Reply Brief (Doc. 14), the Court will affirm the decision of the Bankruptcy
18 Court.

19 **I. BACKGROUND**

20 Appellant appeals the Bankruptcy Court's July 5, 2022 Order. The Bankruptcy
21 Court dismissed Appellant's Chapter 13 bankruptcy at oral argument on June 30, 2022 and
22 by order on July 5, 2022. At the June 30, 2022 hearing, Appellant asked if the case was
23 dismissed. The Bankruptcy Court told Appellant that it was the Court's decision to dismiss
24 the bankruptcy and that dismissal would be effectuated by formal written order. Before
25 the order was issued, Appellant filed an adversary proceeding. The Bankruptcy Court
26 entered the dismissal Order on July 5, 2022, and in that same order dismissed the adversary
27 proceedings. The Bankruptcy Court specifically found that the allegations raised by
28 Appellant were addressed at the June 30, 2022 hearing. The Bankruptcy Court also found

1 that the principles of comity, fairness, issue preclusion, claim preclusion, and judicial
2 economy warranted dismissal of the adversary proceedings. Appellant asked the
3 Bankruptcy Court to reopen the adversary proceedings on July 11, 2022. The Bankruptcy
4 Court denied Appellant's request two days later and again found that the issues raised in
5 the adversary proceedings were the same issues resolved at the June 30, 2022 hearing.

6 **II. LEGAL STANDARD**

7 The Court has jurisdiction to review final orders by the bankruptcy court. 28 U.S.C.
8 § 158(a). Dismissal of an adversary action is an appealable order. *Bell v. Internal Revenue*
9 *Serv.*, No. 00-1758-PHX-RCB, 2001 WL 522318, at *1 (D. Ariz. Apr. 9, 2001). The Court
10 reviews the decision declining to retain jurisdiction over adversary proceedings after
11 dismissal of the underlying bankruptcy for abuse of discretion. *In re Fuentes*, No. AP 22-
12 05018, 2023 WL 1466600, at *2 (B.A.P. 9th Cir. Feb. 2, 2023).

13 **III. DISCUSSION**

14 Appellant argues the Bankruptcy Court erred when it dismissed the Adversary
15 Complaint *sua sponte* and without scheduling a hearing. Appellant first dedicates many
16 pages to argue the Bankruptcy Court had jurisdiction over the Adversary Complaint.
17 Appellee does not address these arguments, though the Court finds them irrelevant. The
18 Bankruptcy Court did not dismiss the adversary proceedings because it lacked jurisdiction.
19 Rather, the Bankruptcy Court dismissed the adversary proceedings because maintaining
20 jurisdiction was discretionary. Therefore, the Court will proceed under the understanding
21 that the Bankruptcy Court had jurisdiction over the adversary proceedings.

22 Appellant next argues that the Bankruptcy Court abused its discretion in dismissing
23 the adversary complaint without a hearing. Appellant argues a hearing was required under
24 due process. The Court disagrees and finds that the Bankruptcy Court did not abuse its
25 discretion by acting to *sua sponte* dismiss the adversary proceedings. *See In re Sitanggang*,
26 No. 12-20905-MH, Adv. No. 12-01168-MH, 2013 WL 5737703, at *5 (B.A.P. 9th Cir.
27 Oct. 22, 2013) (“[W]e conclude that the bankruptcy court did not abuse its discretion by
28 ruling on a sua sponte basis.”).

